

Bonus Option Comparisons		
OPTION	High-3 Retirement	CSB / REDUX
Bonus	None	\$30,000 Lump Sum Payment at 15th Year of Service
Service Obligation	None, but... Member Must Serve 20 Years to Qualify for Retirement	Member Must Agree to Remain on Continuous Active Duty to 20 Years of Service
Retired Pay Computation		
System	High-3	REDUX 1986 Military Retirement Reform Act
Base	Average Monthly Basic Pay over Highest 36 Months	Average Monthly Basic Pay over Highest 36 Months
Multiplier	2.5% per Year of Service	2.5% per Year of Service Less 1 Percentage Point for Each Year Less Than 30 Restored to Same as High-3 System at Age 62
COLAs*	Full Inflation Adjustment Equal to the Annual Increase in CPI-W**	Reduced Inflation Adjustment Equal to Annual Increase in CPI-W minus 1 Percentage Point With A One-Time Readjustment at Age 62

* Cost-of-Living Adjustment

** Consumer Price Index for Urban Wage Earners and Clerical Workers